



DCMC Integrated Management System

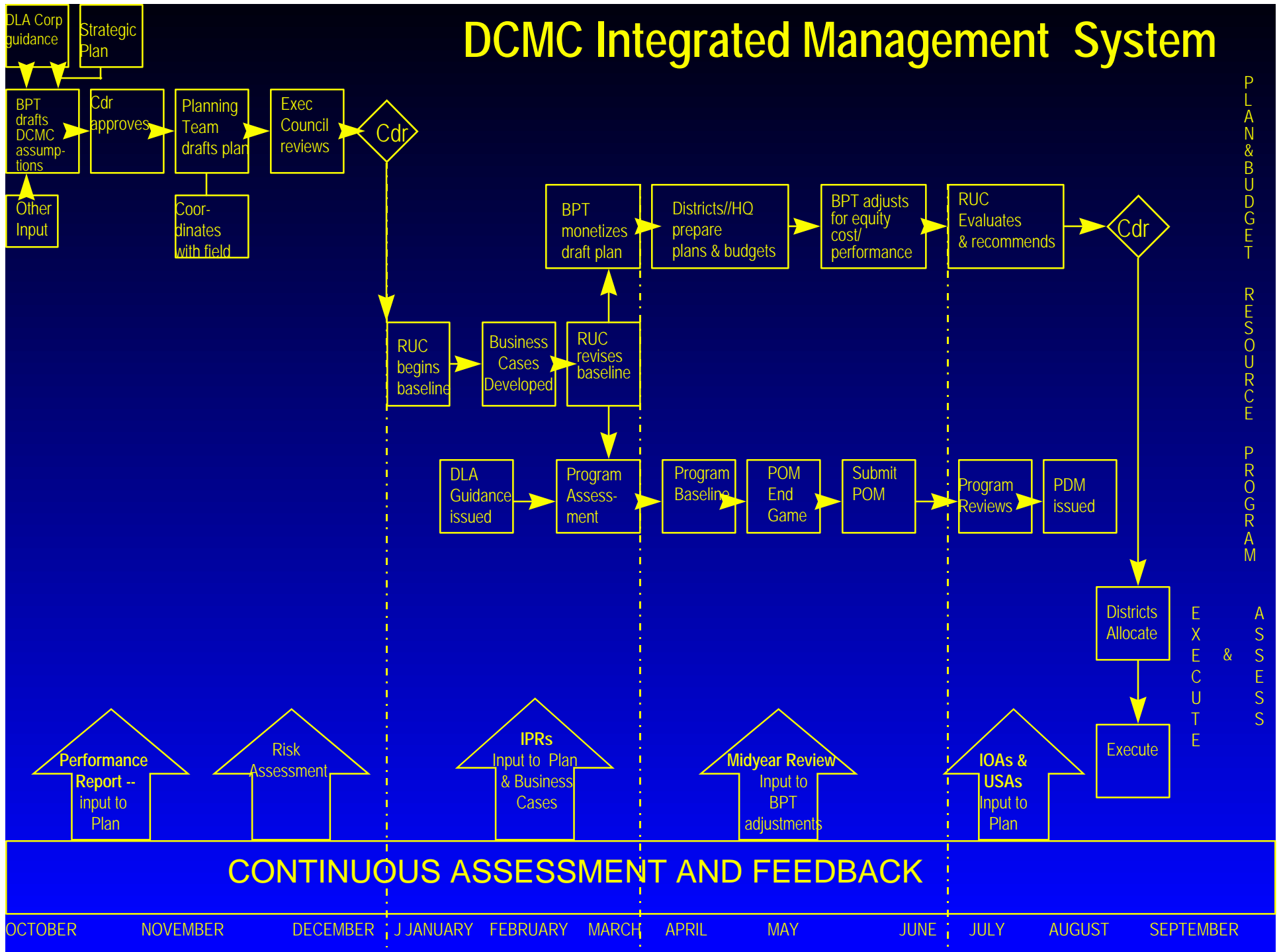
DCMC Performance Planning
March 25, 1997



Overview

- Integrated Management System
 - Resource Utilization Process
 - Strategic Planning Process
 - Planning/Budgeting
 - Program Objectives Memorandum (POM)
 - Unit Cost Management

DCMC Integrated Management System





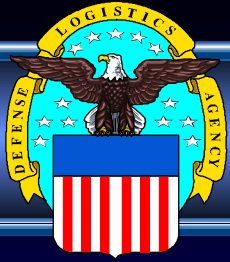
Concept of Operations

- **Resource Utilization Council:** Executive Director, Operational Assessment and Programming, Chairman; Associate Director, Executive Director, Contract Mgt Policy; Executive Director, Program Integration; District Commanders; Chief, AQBA serves as executive secretary; FO and AFGE representatives participate.
- **Business Process Team:** Sponsored by AQB. Headed by Chief, AQBA. Core members are key staff members of AQBA, AQBD & AQBF; AQO representative; Directors of District Planning and Resource Management Directorate, and Operations Directorates; FO representative
 - The Planning Team is a subteam: Headed by AQBA Planner. Members include AQBA budgeter, AQO representative, FO representative, District planners, District budgeteers



Strategic Planning Process

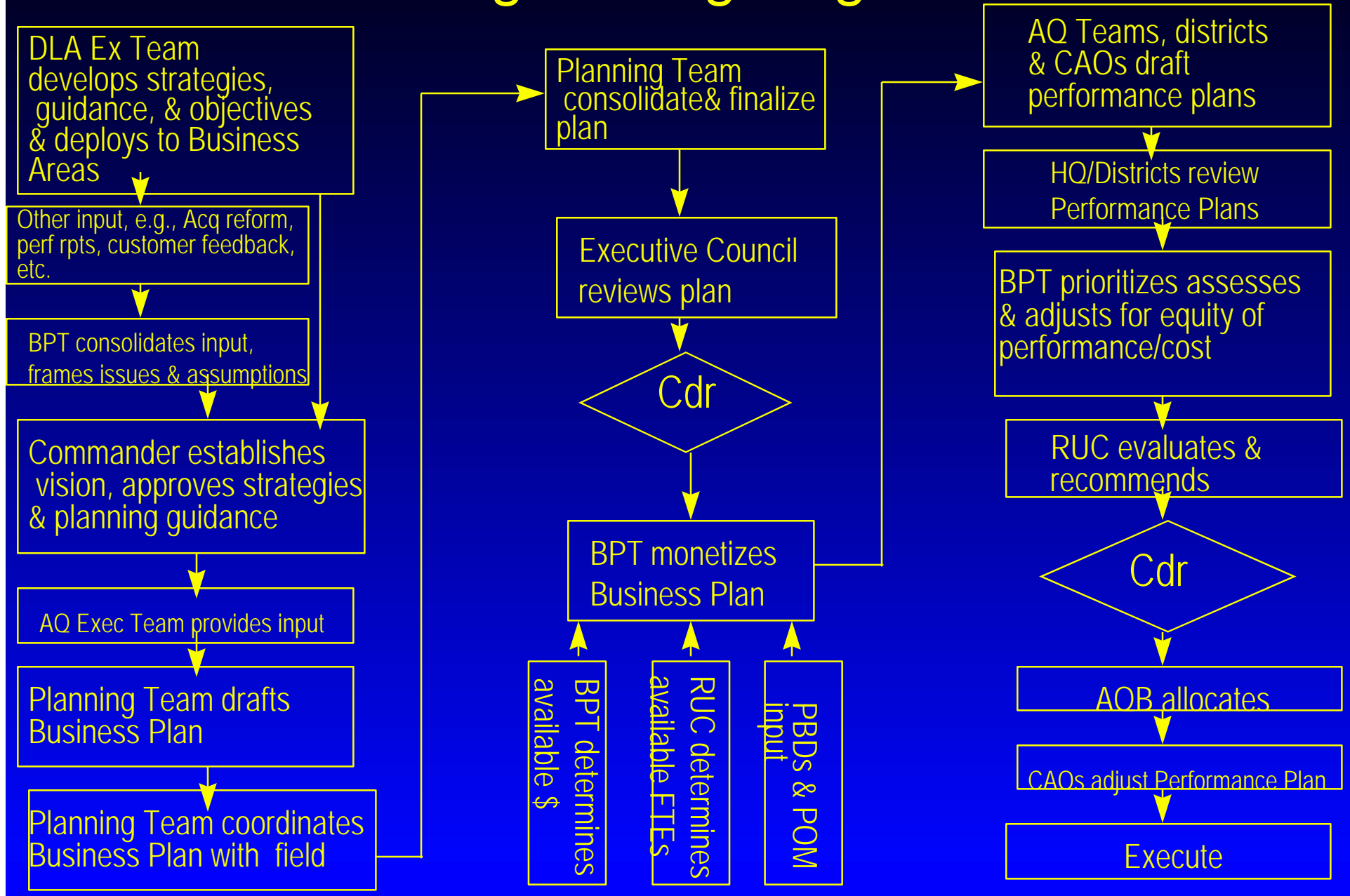
- Purpose:
 - To facilitate long-range planning within DCMC
 - To establish a DCMC strategic plan
- Strategic plan will form basis for FY 98 DCMC business plan
- Strategic plan will communicate the Command's mission, vision, and strategic goals to DCMC customers



Planning and Budgeting

- There is one DCMC Business Plan which contains budget formulation guidance
- HQ, Districts and CAOs develop subordinate performance plans for their activity
- A Performance Plan is the Command's *contract* with a subordinate activity

Planning & Budgeting



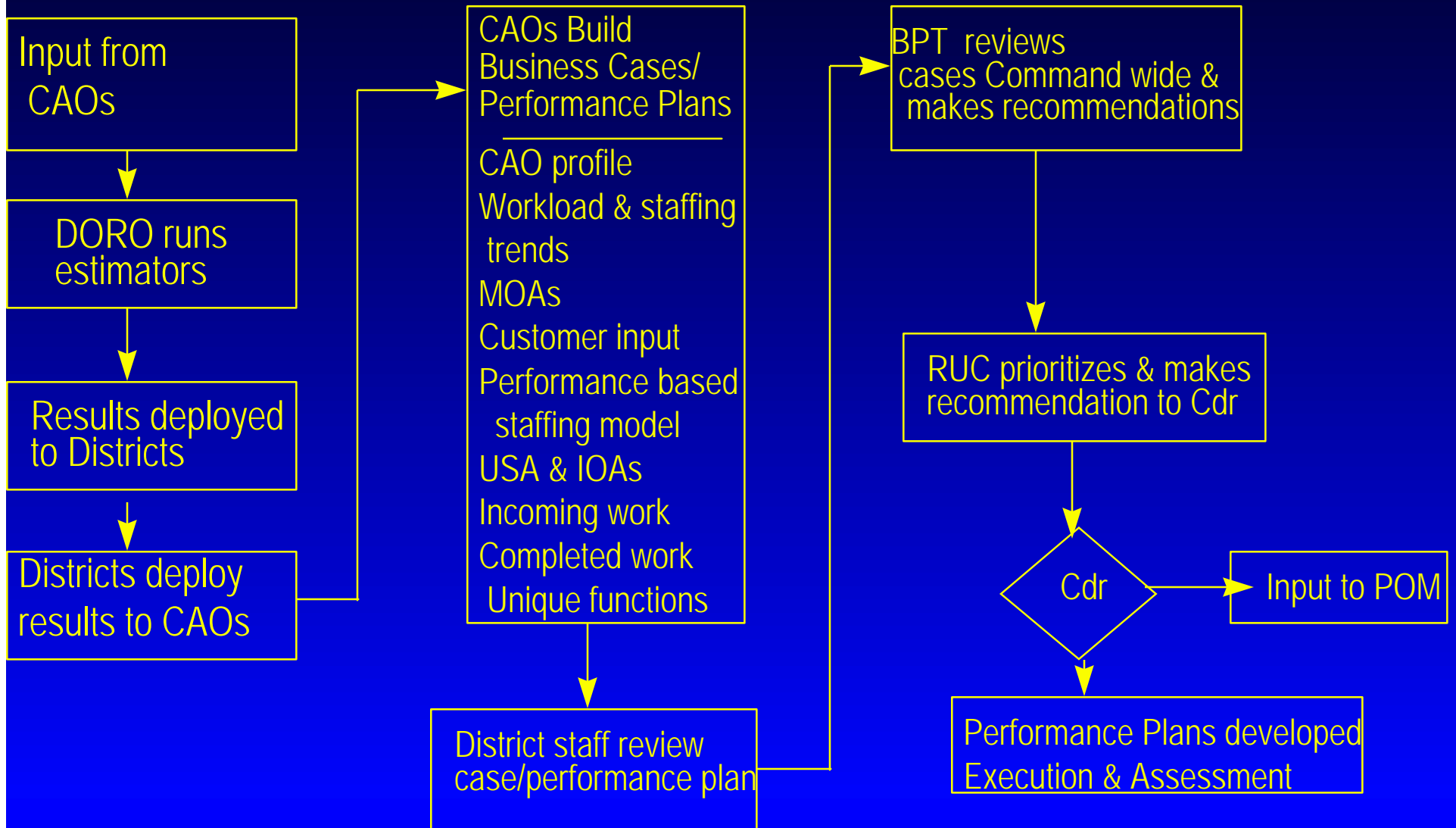


Resource Utilization

- All resourcing decisions flow through the Resource Utilization Council (RUC)
- RUC sets CAO resource levels through 2003
- FY97 baseline established
- Baseline may be revised based on Performance plan negotiations and changes in workload
- Results of performance based staffing model are part of CAO business case submitted to RUC



Resource Utilization





Resource Utilization Council

- Business Process Team Taskings:
- Map out and institutionalize PPBS processes
- Review CAO business cases & make recommendations to RUC
- Develop Unit Cost Management concept for DCMC
- Baseline district staffing
- Negotiate performance plans/budget
- Recommend staffing targets FY98-03 for CAOs
- Support the development of the DCMC Strategic Plan



Business Objectives

- DCMC will be the indispensable provider of contract management services...now and into the 21st century. We will accomplish this by:
 - Providing to our customers technically superb contract management services at reduced costs.
 - Having focused expertise in core competencies.
 - Achieving continuous improvement in business efficiency.
 - Maintaining an agile workforce of skilled professionals prepared to respond in a timely manner to both traditional and future acquisition environments.



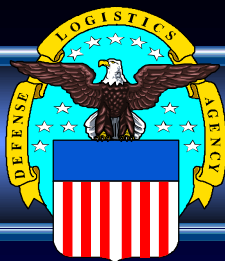
Strategic Planning Process

- Network with Industry and Government/validate process
- Identify issues/present to Executive Council
- Describe environment, develop vision, mission, and strategic goals
- Draft strategic plan
- Staff/finalize plan
- Approve strategic plan
- Implement plan/evaluate and improve

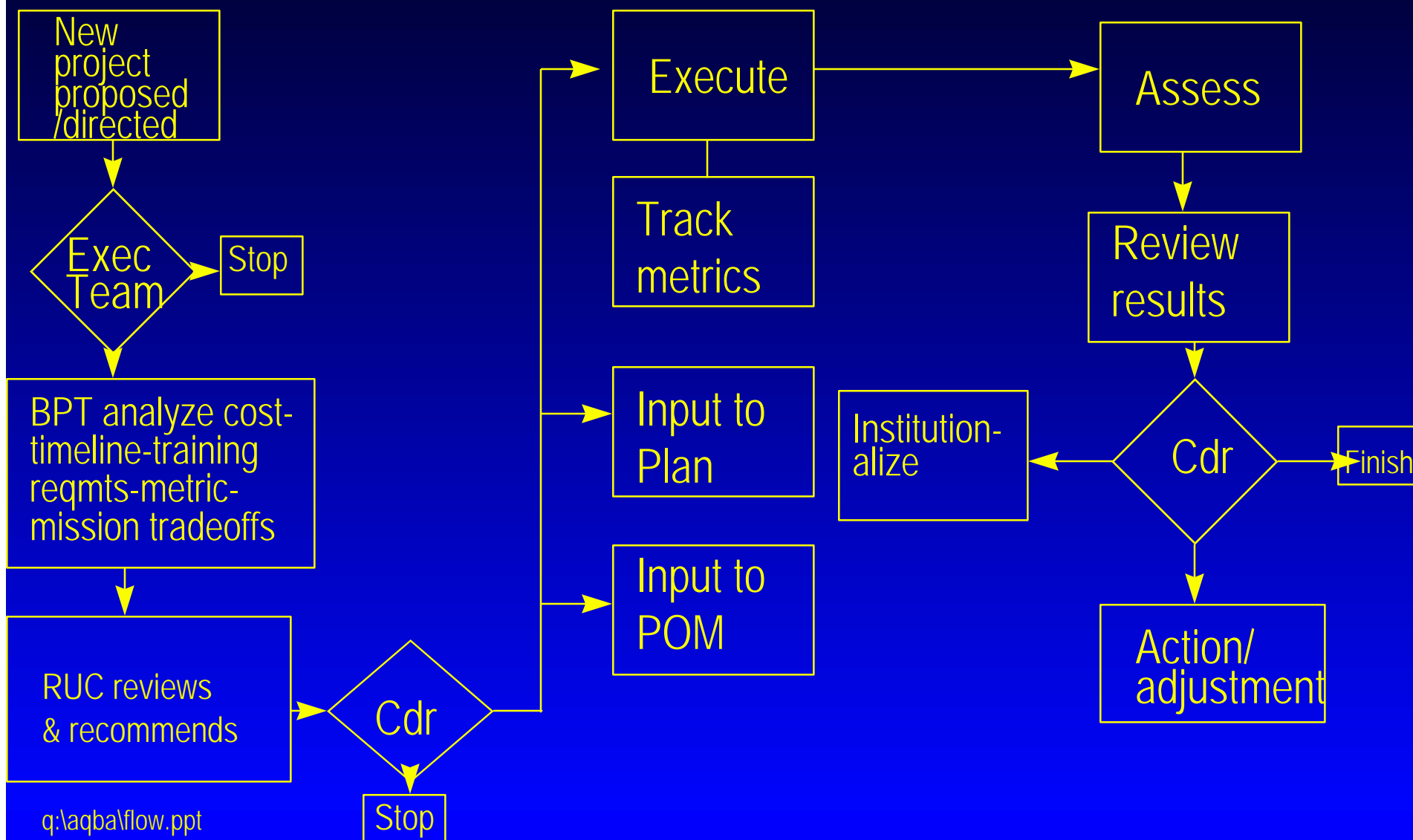


Projects/Initiatives

- Resource impact of new initiatives is assessed up front within the RUC
- Initiatives are input to plan, budget, & metrics
- Results of initiatives are tracked
- Decision points to institutionalize or terminate initiatives



Projects/Initiatives





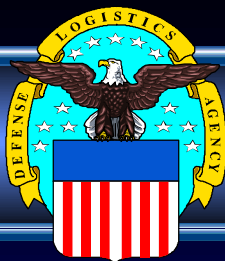
Program Objectives Memorandum

- Long-term resourcing plan for the Command
- Trade offs made within DLA in “End Game”
- Unfunded issues addressed by OSD in program reviews
- Results issued in Program Decision Memoranda
- Revisions to business plan, budget, and resource decisions



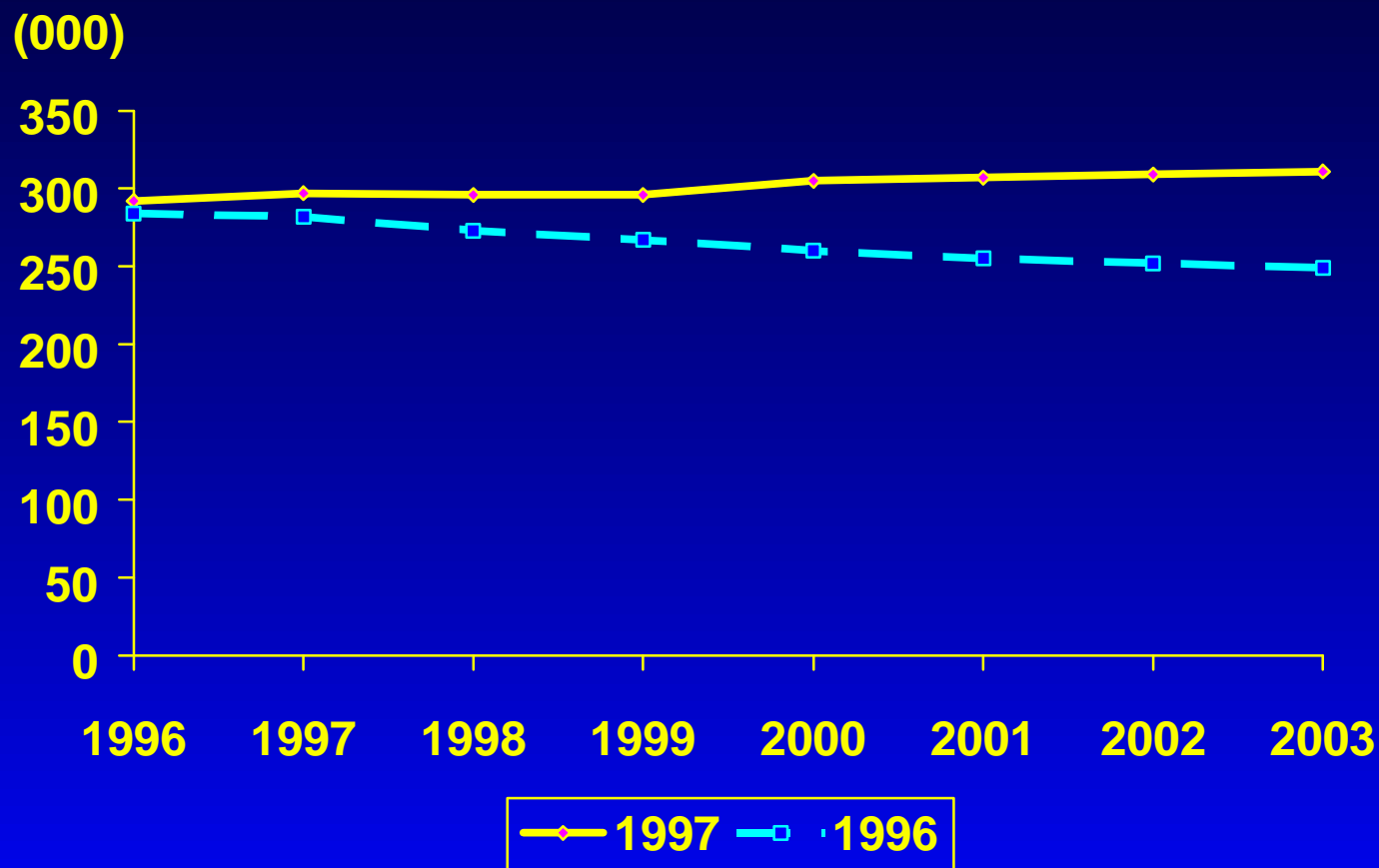
AQ Guiding Principles

- **Commit to Unit Cost Management**
- **Commit to Improved Performance at Reduced Cost**
- **Continue Integrated PPBE Process throughout the year**
- **Institutionalize Integrated Management System**
- **One Command, one focus**
- **Implement Acquisition Reform**
- **Facilitate OSD Initiatives**
- **Engage early in the acquisition process**
- **Minimize involvement in low risk activities**
- **Reduce In-plant presence wherever possible**
- **Increase the capability of the workforce**



Contractor Employees

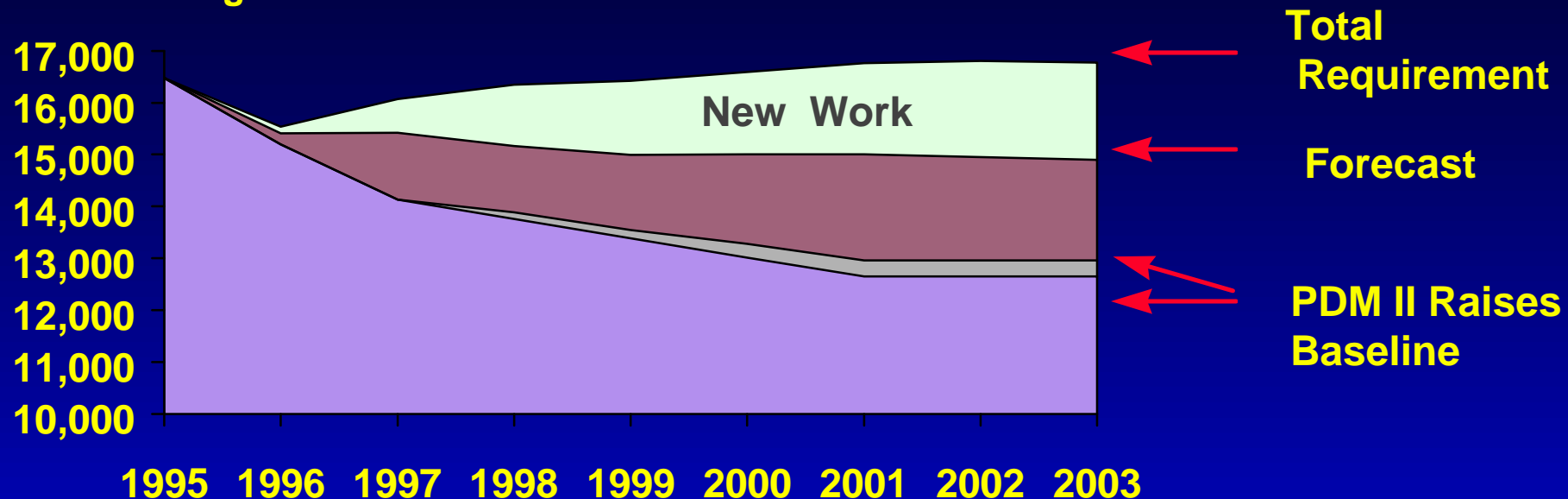
Contractor Employees at DCMC contractor sites





DCMC Resource Requirement

Endstrengths



	1995	1996	1997	1998	1999	2000	2001	2002	2003
Baseline	16,478	15,204	14,136	13,765	13,384	13,017	12,647	12,647	12,647
PDM II				126	159	263	314	314	314
Forecast	16,478	15,414	15,418	15,167	14,999	15,011	15,009	14,952	14,905
New Work		131	660	1,183	1,421	1,587	1,753	1,859	1,874
Total	16,478	15,545	16,078	16,350	16,420	16,598	16,762	16,811	16,779



Program Decision Memorandum II

- Adds \$106 M and 314 staffing to DCMC FY98-03
- “Add resources to accommodate increased workload resulting from privatization of military installations, consolidation of program office functions and increased acquisition reform support.”
- USD(A&T) will conduct a study of DCMC to identify functions which may be funded by DBOF--15 Dec 96
- The study should also indicate how to ensure that any new functions taken on BY DCMC are fully resourced



Unit Cost Management

- New challenge for FY 97, continuing in FY98
- Performance Goal 3.1.4 in plan
- Plan to implement Unit Cost Management in DCMC developed and being executed
- PDM II directed A&T to conduct study of DCMC and possible alternative source of funding



Summary

- Integrated Management System making significant progress
- Resource Utilization process focuses on full execution of DCMC resources
- Strategic Planning process underway
- PDM II is good news for DCMC
- Preparations for Unit Cost Management
- Continuing progress toward performance plan/budget